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Maryland
Department of Economic & Employment Development

LABOR MARKET DIMENSIONS

A Monthly Report on the Dynamics of the Labor Market in Maryland

August, 1988

MARYLAND DEPARTMENT OF ECONOMIC AND EMPLOYMENT DEVELOPMENT
OFFICE OF LABOR MARKET ANALYSIS AND INFORMATION
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LABOR MARKET DIMENSIONS
AUGUST, 1988

MARYLAND

JOBLESS RATE HOLDS STEADY

Maryland's unemployment rate stabilized in August, holding at the July rate of 4.2 percent. The current rate of joblessness, although slightly above last August's estimate of 4.0 percent, still ranks as one of the lowest unemployment rates on record for the month over the last decade. Nationally, the unemployment barometer showed unemployment slipping slightly over the month by 0.1 percentage points to register 5.4 percent in August.

Labor market activity during August customarily reflects a degree of seasonal bias. The withdrawal of students and other summer workers from the job market normally contributes to a substantial retrenchment in the labor force during August. Over the past five years (1983-1987) alone, an average of slightly more than 5,300 workers terminated their summer employment and withdrew from the labor market during August. With only a few exceptions over the years, employment reductions have also been the norm.

	August 1988	July 1988	August 1987
Civilian Labor Force	2,467,623	2,468,240	2,409,689
Total Employment	2,364,730	2,363,542	2,313,580
Total Unemployment	102,893	104,698	96,109
Unemployment Rate	4.2	4.2	4.0
National Civilian Unemployment Rate	5.4	5.5	5.8

This year's labor market experience, however, presented a contrasting picture. The labor force, while declining, dropped back by just 617 people. Owing to the fact that this decline was considerably below expectations, it appears that the majority of seasonal workers opted to extend their summer work experience this year. Meanwhile, the decline in the labor force was countered by an increase of 1,188 in the number of employed residents. The interaction of these changes helped to reduce the statewide jobless rolls by slightly more than 1,800 people, down to a level of 102,893 in August.

Although the economy has responded to a normal series of seasonal ups and downs this year, job creation has proven relatively strong. Since January, more than 94,000 workers have joined the employment rolls. More importantly, this employment expansion has helped to reduce the number of unemployed by approximately 20,600 people through August.

INDUSTRIAL PAYROLLS REFLECT SEASONAL SWINGS

During August, Maryland's industrial payrolls did drop back overall, however, performance in selected industries balanced out some of the negative news.

In manufacturing, losses of 100+ jobs were noted in primary metals and in shipbuilding/boat repair; however, the industry as a whole was influenced more by the pluses. In apparel/textiles, returns from vacation shutdowns boosted employment by slightly more than 450 jobs and, in food processing, a late bloomer this year, increased activity elevated employment levels by more than 300 jobs.

In construction, building and repair activity continued at a moderate pace, prompting an overall increase of 750 jobs. All component industries--general building, heavy construction, and special trade--posted gains over the month; however, more than 50.0 percent of the increase emanated from hiring by special trade contractors.

In trade, merchants in both general merchandise and apparel stores responded to the increased buying activity generated by early school shoppers by augmenting their work forces. Employment in food stores was also on the upswing. On the down side, normal seasonal cutbacks reduced employment levels in building material/garden supply stores, hardware stores/nurseries, and in eating and drinking establishments.

In services, the only real bright spot was in business services where increased demand helped to generate nearly 400 jobs over the month. This increase helped to cushion somewhat the expected seasonal slides in hotels, amusement services, membership organizations, and agricultural services.

MARYLAND
NONAGRICULTURAL PAYROLL EMPLOYMENT[1] BY INDUSTRY
BY PLACE OF EMPLOYMENT
(in thousands)

AUGUST 1988

Major Industry Grouping	August 1988	July 1988	August 1987
Total Nonagricultural Employment	2036.3	2039.6	2031.9
Manufacturing	208.0	207.8	207.6
Durable Goods	109.4	109.9	109.3
Nondurable Goods	98.6	97.9	98.3
Nonmanufacturing	1828.3	1831.8	1824.4
Mining	1.8	1.9	1.9
Construction	156.1	155.4	157.2
Transportation & Public Utilities	93.0	93.1	93.1
Wholesale & Retail Trade	526.3	525.9	524.6
Wholesale Trade	110.3	110.7	110.8
Retail Trade	416.0	415.2	413.8
Finance, Insurance & Real Estate	127.6	128.1	125.8
Services	552.8	553.2	547.8
Total Government	370.7	374.2	373.8
Federal	128.2	128.4	131.7
State	85.7	85.8	84.5
Local	156.8	160.0	157.6

[1]The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

Additional industry detail available upon request.
Current data preliminary; previous month revised.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

REGIONAL ECONOMICS

BALTIMORE METROPOLITAN AREA

In the Baltimore Metropolitan Area, the unemployment rate, estimated at 4.5 percent, remained unchanged over the month. During August, the number of workers in the region did decline by slightly more than 3,300, however, the withdrawal of an estimated 3,500 people from the job market helped to deter the potential for increased joblessness in the BMA. The region's labor force decline not only absorbed the drop off in employment, but, also helped to reduce the actual number of people on the BMA's jobless rolls by 221. Within the BMA, local unemployment rates ranged from a low of 2.6 percent in Carroll County to a high of 6.9 percent in Baltimore City. The BMA's industrial payrolls reacted similarly to those statewide in that most of the cutbacks were seasonal. Meanwhile, hiring activity did occur in paper products, construction, food stores, apparel/accessory stores, and health services.

MARYLAND'S D.C. SUBURBS

Unemployment in Maryland's D.C. suburbs also remained stable over the month, sticking at 3.3 percent. However, the scenario in the D.C. region was quite different from that in the BMA. During August, employment in the D.C. suburbs rose by 2,172 persons. This employment gain, however, fell slightly short of that in the labor force. As a result, unemployment volume did increase, but by just 54 people. Frederick County was the only local jurisdiction in the region to experience an increase in its jobless rate, albeit minimal, from 3.2 percent to 3.3 percent. Although seasonal declines did blot the region's industrial payrolls, noteworthy hiring did occur in food stores, furniture stores, business services, and in local education.

WESTERN MARYLAND

Western Maryland's unemployment rate dropped back noticeably over the month, by 0.7 percentage points to register 6.7 percent. This compares favorably with last year's estimate of 7.5 percent. Jobless rates declined in all of the western region's local jurisdictions. The largest decline, from 9.7 percent to 8.1 percent, occurred in Garrett County. Recalls in manufacturing and increased hiring in construction were the primary factors in improving the region's economic picture over the month.

BALANCE OF STATE

Joblessness in the Balance of State area also declined, from 5.5 percent in July to 5.0 percent in August. During August, an additional 700 shore area residents entered the job market in search of employment. Meanwhile, the total number of workers in the region climbed by a much higher 1,619 persons--an increase which helped to reduce the number of people on the region's jobless rolls by more than 900. Seasonal fluctuations were apparent in a number of counties in the region. Local jobless rates ranged from a low of 2.6 percent in Worcester County to a much higher 7.6 percent in Cecil County. During August, job gains were the most predominant in apparel/textiles and in food processing.

NONAGRICULTURAL PAYROLL EMPLOYMENT[1] BY INDUSTRY - BY PLACE OF EMPLOYMENT
(in thousands)
BY REGION--AUGUST 1988

Major Industry Grouping	Baltimore Metropolitan Area		Maryland Portion D.C. Suburbs		Western Maryland		Balance of State	
	Aug. 1988	July 1988	Aug. 1988	July 1988	Aug. 1988	July 1988	Aug. 1988	July 1988
Total Nonagricultural Employment	1085.5	1089.7	722.3	722.3	85.3	84.9	139.2	139.0
Manufacturing	130.7	131.1	36.1	36.0	16.4	16.2	24.8	24.3
Durable Goods	73.4	74.3	18.8	18.8	7.4	7.4	8.9	8.6
Nondurable Goods	57.3	56.8	17.3	17.2	9.0	8.8	15.9	15.7
Nonmanufacturing	955.1	958.6	686.2	686.3	68.9	68.7	114.4	114.7
Construction	75.8	75.7	63.7	63.9	5.6	5.3	10.1	10.2
Transportation & Public Utilities	52.7	52.9	27.9	27.9	5.4	5.4	7.3	7.4
Wholesale and Retail Trade	270.2	270.5	194.5	194.2	23.5	23.4	38.6	38.6
Wholesale Trade	64.6	65.0	35.4	35.4	-	-	-	-
Retail Trade	205.6	205.5	159.1	158.8	-	-	-	-
Finance, Insurance & Real Estate	75.5	75.6	43.3	43.3	3.1	3.1	5.5	5.6
Services and Mining	290.1	290.6	214.5	215.2	19.0	19.0	31.2	31.1
Total Government	190.8	193.3	142.3	141.8	12.3	12.5	21.7	21.8
Federal	50.1	49.6	67.8	67.8	1.7	1.7	6.2	6.2
State	62.3	62.2	14.8	14.8	4.0	4.0	3.9	3.9
Local	78.4	81.5	59.7	59.2	6.6	6.8	11.6	11.7

[1]The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

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STATE OF MARYLAND
CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
BY PLACE OF RESIDENCE

AUGUST, 1988

AREA	CIVILIAN LABOR FORCE		EMPLOYMENT		UNEMPLOYMENT		UNEMPLOYMENT RATE		
	AUGUST	JULY*	AUGUST	JULY*	AUGUST	JULY*	AUGUST	JULY*	AUG.'87
MARYLAND	2,467,623	2,468,240	2,364,730	2,363,542	102,893	104,698	4.2	4.2	4.0
BALTIMORE METROPOLITAN AREA	1,178,069	1,181,604	1,124,744	1,128,058	53,325	53,546	4.5	4.5	4.4
BALTIMORE CITY	345,465	346,512	321,719	322,667	23,746	23,845	6.9	6.9	6.7
ANNE ARUNDEL	210,139	210,583	203,293	203,892	6,846	6,691	3.3	3.2	3.3
BALTIMORE	382,667	383,851	367,574	368,657	15,093	15,194	3.9	4.0	3.7
CARROLL	59,226	59,546	57,679	57,849	1,547	1,697	2.6	2.8	3.5
HARFORD	77,883	78,339	74,739	74,959	3,144	3,380	4.0	4.3	3.8
HOWARD	87,956	87,952	85,422	85,673	2,534	2,279	2.9	2.6	2.3
QUEEN ANNE'S	14,731	14,819	14,317	14,360	414	459	2.8	3.1	3.2
D. C. AREA	979,115	976,889	946,849	944,677	32,266	32,212	3.3	3.3	3.0
CALVERT	21,939	21,950	20,949	20,901	990	1,049	4.5	4.8	3.9
CHARLES	46,000	45,984	44,371	44,269	1,629	1,715	3.5	3.7	3.0
FREDERICK	74,295	74,033	71,829	71,664	2,466	2,369	3.3	3.2	3.6
MONTGOMERY	415,649	414,622	404,243	403,316	11,406	11,306	2.7	2.7	2.4
PRINCE GEORGE'S	421,231	420,301	405,457	404,527	15,774	15,774	3.7	3.8	3.5
WESTERN MARYLAND	101,381	101,390	94,621	93,910	6,760	7,480	6.7	7.4	7.5
ALLEGANY	32,293	32,230	29,684	29,470	2,609	2,760	8.1	8.6	10.9
GARRETT	12,616	12,743	11,596	11,507	1,020	1,236	8.1	9.7	6.8
WASHINGTON	56,472	56,417	53,341	52,933	3,131	3,484	5.5	6.2	5.6
BALANCE OF STATE	209,057	208,357	198,514	196,895	10,543	11,462	5.0	5.5	4.4
CAROLINE	14,073	13,592	13,481	13,069	592	523	4.2	3.8	4.4
CECIL	34,913	35,305	32,252	32,536	2,661	2,769	7.6	7.8	4.8
DORCHESTER	17,671	17,576	16,782	16,143	889	1,433	5.0	8.2	4.7
KENT	9,097	9,440	8,691	8,577	406	863	4.5	9.1	3.7
ST. MARY'S	36,813	36,620	35,126	34,930	1,687	1,690	4.6	4.6	4.1
SOMERSET	11,596	11,648	10,837	10,840	759	808	6.5	6.9	6.4
TALBOT	16,419	15,904	15,705	15,516	714	388	4.3	2.4	5.1
WICOMICO	40,470	40,345	38,366	38,169	2,104	2,176	5.2	5.4	4.6
WORCESTER	28,005	27,927	27,274	27,115	731	812	2.6	2.9	2.8
UNITED STATES [1]	123,396,000	123,888,000	116,737,000	117,066,000	6,659,000	6,823,000	5.4	5.5	5.8

*Estimates for the state are revised.

[1] Source: U. S. Department of Labor, Bureau of Labor Statistics

NOTE: Figures may not add due to rounding. These are estimates relating to the week of the 12th of each month. The count is of persons not jobs. All data are not seasonally adjusted.